

# News

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## MASS LAYOFFS IN NOVEMBER 2002

Employers initiated 2,150 mass layoff actions in November 2002, as measured by new filings for unemployment insurance benefits during the month, according to the U.S. Department of Labor's Bureau of Labor Statistics. Each action involved at least 50 persons from a single establishment, and the number of workers involved totaled 240,028. (See table 1.) In November 2001, there were 2,721 mass layoff events involving 295,956 workers. In January through November 2002, both the total number of events, 17,799, and initial claims, 1,980,856, were lower than in January-November 2001 (19,027 and 2,245,969, respectively).

The monthly data series in this release cover mass layoffs of 50 or more workers beginning in a given month, regardless of the duration of the layoffs. Information on the length of the layoff was obtained later and issued in a quarterly release that reported on mass layoffs lasting more than 30 days (referred to as "extended mass layoffs") and provided more information on the industry classification and location of the establishment and on the demographics of the laid-off workers. Because monthly figures include short-term layoffs of 30 days or less, the sum of the figures for the 3 months in a quarter are higher than the quarterly figure for mass layoffs of more than 30 days. (See table 1.) See the Technical Note for more detailed definitions.

### Industry Distribution

Manufacturing industries accounted for 33 percent of all mass layoff events and 39 percent of all initial claims filed in November. A year earlier, layoffs in this sector accounted for 41 percent of events and 51 percent of initial claims. Within manufacturing, the number of initial claimants was highest in transportation equipment (14,322, mainly in light truck and utility vehicle manufacturing), followed by food processing (12,149, mostly in frozen fruits and vegetables) and machinery (11,280, largely in construction machinery). (See table 2.)

### **Mass Layoff Statistics Program Is Discontinued**

This is the final news release for the Mass Layoff Statistics (MLS) program. Since 1994, the Department of Labor's Employment and Training Administration has funded the program. That funding will end on December 31, 2002. The Bureau of Labor Statistics (BLS) has been unable to acquire funding from alternative sources and must discontinue the MLS program.

Limited historical data will continue to be available at <http://www.bls.gov/mls/> on the BLS Web site.

Fifteen percent of all layoff events and 13 percent of all initial claims filed during the month were in construction, mostly in highway, street, and bridge construction. Twelve percent of the events and initial claims in November were from administrative and waste services, largely temporary help services. Agriculture, forestry, fishing and hunting accounted for 11 percent of events and 7 percent of initial claims, primarily among farm labor contractors and crew leaders. Professional and technical services contributed an additional 3 percent to all events and 4 percent to all initial claims this November, mainly from payroll services.

Government establishments accounted for 3 percent of events and of initial claims filed during the month, particularly in educational services.

Compared with November 2001, the largest decreases in initial claims were reported in transportation equipment manufacturing (-12,260). The largest over-the-year increases in initial claims were reported in professional and technical services (+5,042).

### Geographic Distribution

Among the four regions, the highest number of initial claims in November due to mass layoffs was in the West, 86,809. (See table 3.) Administrative and support services and agricultural support activities accounted for 26 percent of all initial claims in that region during the month. The Midwest followed with 65,567 initial claims (mainly in heavy and civil engineering construction), then the South, with 53,960 (largely in administrative and support services). The Northeast continued to report the lowest number of initial claims, 33,692, mostly in food services and drinking places.

From November 2001 to November 2002, the number of initial claimants in mass layoffs declined in three of the four geographic regions. The largest decrease occurred in the Midwest (-35,580), largely in transportation equipment manufacturing. Six of the nine geographic divisions reported over-the-year decreases in the number of initial claims associated with mass layoffs, with the largest declines in the East North Central (-36,050) and South Atlantic (-10,623) divisions. The Pacific division reported the largest increase (+6,789).

California had the largest number of initial claims filed in mass layoff events this November, 62,764, mostly in administrative and support services and in agriculture and forestry support activities, followed by Wisconsin (15,544), Texas (14,624), and Illinois (13,657). These four states accounted for 47 percent of all layoff events and 44 percent of initial claims for unemployment insurance. (See table 4.) Thus far this year, 533,885 mass layoff initial claims were filed in California, 27 percent of the national total. The states with the next largest number of claims in that 11-month period were Texas (119,327) and Pennsylvania (109,113).

Michigan reported the largest over-the-year decrease in initial claims (-21,899), followed by Pennsylvania (-11,479). The largest over-the-year increases occurred in Missouri (+5,515) and New York (+5,134).

# Technical Note

The Mass Layoff Statistics (MLS) program is a federal-state program that uses a standardized, automated approach to identifying, describing, and tracking the effects of major job cutbacks, using data from each state's unemployment insurance database. Each month, states report on establishments which have at least 50 initial claims filed against them during a consecutive 5-week period. These establishments then are contacted by the state agency to determine whether these separations lasted 31 days or longer, and, if so, other information concerning the layoff is collected. States report on layoffs lasting more than 1 month on a quarterly basis.

A given month contains an aggregation of the weekly unemployment insurance claims filings for the Sunday through Saturday weeks in that month. All weeks are included for the particular month, except if the first day of the month falls on Saturday. In this case, the week is included in the prior month's tabulations. This means that some months will contain 4 weeks and others 5 weeks, and the number of weeks in a given month may be different from year to year. Therefore,

analysis of over-the-month and over-the-year change should take this calendar effect into consideration.

The MLS program resumed operations in April 1995 after it had been terminated in November 1992 due to lack of funding. Prior to April 1995, monthly layoff statistics were not available.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: 202-691-5200; TDD message referral phone number: 1-800-877-8339.

## Definitions

*Initial claimant.* A person who files any notice of unemployment to initiate a request either for a determination of entitlement to and eligibility for compensation, or for a subsequent period of unemployment within a benefit year or period of eligibility.

*Mass layoff event.* Fifty or more initial claims for unemployment insurance benefits filed against an establishment during a 5-week period, regardless of duration.

**Table 1. Mass layoff events and initial claimants for unemployment insurance, October 2000 to November 2002**

Date	Total mass layoffs		Extended mass layoffs lasting more than 30 days		Realization rates <sup>1</sup>	
	Events	Initial claimants	Events	Initial claimants	Events	Initial claimants
<b>2000</b>						
October .....	874	103,755				
November .....	1,697	216,514				
December .....	2,677	326,743				
Fourth Quarter .....	5,248	647,012	2,005	376,611	38.2	58.2
<b>2001</b>						
January .....	1,522	200,343				
February .....	1,501	172,908				
March .....	1,527	171,466				
First Quarter .....	4,550	544,717	1,765	340,210	38.8	62.5
April .....	1,450	176,265				
May .....	1,434	159,365				
June .....	2,107	253,826				
Second Quarter .....	4,991	589,456	2,072	401,270	41.5	68.1
July .....	2,117	273,807				
August .....	1,490	166,148				
September .....	1,327	160,402				
Third Quarter .....	4,934	600,357	1,815	370,942	36.8	61.8
October .....	1,831	215,483				
November .....	2,721	295,956				
December .....	2,440	268,893				
Fourth Quarter .....	6,992	780,332	2,698	502,287	38.6	64.4
<b>2002</b>						
January .....	2,146	263,821				
February .....	1,383	138,984				
March .....	1,460	161,336				
First Quarter .....	4,989	564,141	1,748	314,966	35.0	55.8
April .....	1,507	165,861				
May .....	1,726	180,007				
June .....	1,580	161,928				
Second Quarter .....	4,813	507,796	1,905	347,321	39.6	68.4
July .....	2,041	245,211				
August .....	1,247	128,080				
September .....	1,062	124,512				
Third Quarter .....	4,350	497,803	<sup>2, P</sup> 1,309	<sup>2, P</sup> 193,385	<sup>P</sup> 30.1	<sup>P</sup> 38.8
October <sup>P</sup> .....	1,497	171,088				
November <sup>P</sup> .....	2,150	240,028				

<sup>1</sup> The event realization rate is the percentage of total mass layoff events lasting more than 30 days. The initial claimant realization rate is the percentage of total mass-layoff initial claimants associated with layoffs lasting more than 30 days.

<sup>2</sup> These quarterly numbers are provisional and will increase as more

data on these layoffs become available. Recent experience suggests that the number of extended mass layoff events is generally revised upwards by less than 10 percent and the number of initial claimants associated with such events increases by 25-40 percent.

<sup>P</sup> = preliminary.

**Table 2. Industry distribution: Mass layoff events and initial claimants for unemployment insurance**

Industry	Mass layoff events				Initial claimants for unemployment insurance			
	November 2001	September 2002	October 2002 <sup>P</sup>	November 2002 <sup>P</sup>	November 2001	September 2002	October 2002 <sup>P</sup>	November 2002 <sup>P</sup>
Total <sup>1</sup> .....	2,721	1,062	1,497	2,150	295,956	124,512	171,088	240,028
Total, private .....	2,669	1,008	1,448	2,090	291,052	118,527	165,360	234,002
Agriculture, forestry, fishing and hunting .....	296	51	178	232	20,784	3,801	16,045	17,867
Mining .....	23	7	8	17	2,707	513	565	1,477
Utilities .....	3	( <sup>2</sup> )	7	3	191	( <sup>2</sup> )	575	246
Construction .....	319	80	116	321	29,219	5,735	9,738	30,604
Manufacturing.....	1,122	351	492	719	151,969	43,679	64,600	92,740
Food .....	112	39	83	102	12,104	4,688	12,111	12,149
Beverage and tobacco products .....	14	7	8	8	1,122	454	477	733
Textile mills .....	46	17	24	30	7,262	3,406	4,786	5,065
Textile product mills .....	10	13	12	6	1,593	2,543	1,511	655
Apparel .....	42	19	18	22	5,865	2,225	2,445	2,257
Leather and allied products .....	11	3	5	5	905	240	384	645
Wood products .....	56	12	22	61	7,090	1,312	2,114	7,934
Paper .....	28	9	11	16	4,248	1,007	968	2,116
Printing and related support activities .....	20	7	8	14	2,047	650	710	1,212
Petroleum and coal products .....	8	–	5	10	832	–	651	902
Chemicals .....	15	8	8	12	1,660	977	598	928
Plastics and rubber products .....	65	15	18	30	9,315	1,322	1,658	2,974
Nonmetallic mineral products .....	34	5	12	28	3,452	410	874	3,089
Primary metals .....	94	20	24	45	11,940	2,273	3,687	5,502
Fabricated metal products .....	71	22	21	62	7,001	2,365	1,722	5,897
Machinery .....	115	28	47	60	17,625	3,657	8,309	11,280
Computer and electronic products .....	99	47	63	65	12,252	5,146	6,926	5,911
Electrical equipment and appliances .....	50	23	25	22	9,039	2,679	4,879	2,636
Transportation equipment .....	155	32	49	84	26,582	4,984	6,856	14,322
Furniture and related products .....	44	17	14	22	4,824	2,834	1,749	4,986
Miscellaneous manufacturing .....	33	8	15	15	5,211	507	1,185	1,547
Wholesale trade .....	44	20	23	33	3,411	1,708	1,948	3,907
Retail trade .....	112	93	112	96	10,411	10,095	15,506	9,094
Transportation and warehousing .....	79	68	41	55	7,832	18,128	5,022	8,094
Information .....	74	47	53	58	8,122	6,585	9,019	6,884
Finance and insurance .....	38	26	25	44	3,144	2,530	2,123	3,655
Real estate and rental and leasing .....	12	( <sup>2</sup> )	( <sup>2</sup> )	13	954	( <sup>2</sup> )	( <sup>2</sup> )	1,231
Professional and technical services .....	70	29	42	54	5,537	2,811	3,525	10,579
Management of companies and enterprises .....	8	( <sup>2</sup> )	( <sup>2</sup> )	3	1,236	( <sup>2</sup> )	( <sup>2</sup> )	503
Administrative and waste services .....	269	133	224	258	25,053	14,255	26,896	29,463
Educational services.....	3	5	–	4	171	369	–	267
Health care and social assistance .....	28	18	28	38	3,310	1,299	1,902	3,390
Arts, entertainment, and recreation .....	34	19	17	34	3,346	2,157	1,263	3,323
Accommodation and food services .....	95	49	58	91	9,718	4,056	5,057	9,206
Other services, except public administration.....	13	( <sup>2</sup> )	14	15	964	( <sup>2</sup> )	908	1,289
Unclassified .....	27	1	5	2	2,973	103	369	183
Government .....	52	54	49	60	4,904	5,985	5,728	6,026
Federal .....	10	9	9	11	1,020	1,703	815	879
State .....	22	10	14	20	2,070	980	1,991	2,195
Local .....	20	35	26	29	1,814	3,302	2,922	2,952

<sup>1</sup> Data were reported by all states and the District of Columbia.

<sup>2</sup> Data do not meet BLS or state agency disclosure standards.

<sup>P</sup> = preliminary.

NOTE: Beginning with data for January 2002, the 2002 version of the North American Industry Classification System (NAICS) is the basis for the assignment and tabulation of economic data by industry. NAICS is the product of a cooperative effort on the part of

the statistical agencies of the United States, Canada, and Mexico. Due to differences in NAICS and SIC structures, data by industry for 2002 will not be comparable to the SIC-based data for earlier years. However, the monthly historical industry series from April 1995 to December 2001 are available on both SIC and NAICS bases. Dash represents zero.

**Table 3. Mass layoff events and initial claimants for unemployment insurance by census region and division**

Census region and division	Mass layoff events				Initial claimants for unemployment insurance			
	November 2001	September 2002	October 2002 <sup>p</sup>	November 2002 <sup>p</sup>	November 2001	September 2002	October 2002 <sup>p</sup>	November 2002 <sup>p</sup>
United States <sup>1</sup> .....	2,721	1,062	1,497	2,150	295,956	124,512	171,088	240,028
Northeast .....	388	158	181	291	41,738	15,981	20,961	33,692
New England .....	76	21	38	53	8,813	1,919	4,694	5,785
Middle Atlantic .....	312	137	143	238	32,925	14,062	16,267	27,907
South .....	539	259	304	460	69,720	31,878	35,515	53,960
South Atlantic .....	287	129	159	208	35,748	16,396	17,819	25,125
East South Central .....	90	51	48	74	13,464	5,877	6,198	8,103
West South Central .....	162	79	97	178	20,508	9,605	11,498	20,732
Midwest .....	793	177	293	531	101,147	25,437	37,561	65,567
East North Central .....	615	134	238	373	79,965	19,904	30,761	43,915
West North Central .....	178	43	55	158	21,182	5,533	6,800	21,652
West .....	1,001	468	719	868	83,351	51,216	77,051	86,809
Mountain .....	120	35	52	92	14,802	4,109	4,657	11,471
Pacific .....	881	433	667	776	68,549	47,107	72,394	75,338

<sup>1</sup> See footnote 1, table 2.

<sup>p</sup> = preliminary.

NOTE: The States (including the District of Columbia) that comprise the census divisions are: New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont; Middle Atlantic: New Jersey, New York, and Pennsylvania; South Atlantic: Delaware, District of Columbia, Florida, Georgia, Maryland, North

Carolina, South Carolina, Virginia, and West Virginia; East South Central: Alabama, Kentucky, Mississippi, and Tennessee; West South Central: Arkansas, Louisiana, Oklahoma, and Texas; East North Central: Illinois, Indiana, Michigan, Ohio, and Wisconsin; West North Central: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, and South Dakota; Mountain: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming; and Pacific: Alaska, California, Hawaii, Oregon, and Washington

**Table 4. State distribution: Mass layoff events and initial claimants for unemployment insurance**

State	Mass layoff events				Initial claimants for unemployment insurance			
	November 2001	September 2002	October 2002 <sup>p</sup>	November 2002 <sup>p</sup>	November 2001	September 2002	October 2002 <sup>p</sup>	November 2002 <sup>p</sup>
Total <sup>1</sup> .....	2,721	1,062	1,497	2,150	295,956	124,512	171,088	240,028
Alabama .....	23	16	17	21	2,402	2,174	2,833	2,549
Alaska .....	6	( <sup>2</sup> )	4	7	651	( <sup>2</sup> )	301	662
Arizona .....	17	9	16	7	1,663	1,618	1,169	572
Arkansas .....	11	4	10	9	2,500	421	1,117	853
California .....	782	376	612	663	57,804	39,691	65,044	62,764
Colorado .....	29	6	13	20	3,044	561	1,142	2,090
Connecticut .....	9	4	5	8	745	262	516	706
Delaware .....	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
District of Columbia .....	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )
Florida .....	102	55	70	67	10,138	4,143	4,604	4,617
Georgia .....	26	16	35	23	3,714	4,639	3,219	3,092
Hawaii .....	10	4	10	4	924	428	800	317
Idaho .....	27	4	5	21	3,250	287	708	3,202
Illinois .....	106	41	57	105	13,648	6,707	8,676	13,657
Indiana .....	65	16	22	49	8,775	2,512	3,629	5,762
Iowa .....	50	9	12	29	6,647	1,673	2,339	3,282
Kansas .....	13	3	8	16	1,613	196	768	2,226
Kentucky .....	44	16	21	25	8,863	1,773	2,479	2,674
Louisiana .....	29	12	12	32	3,419	761	954	2,836
Maine .....	7	( <sup>2</sup> )	4	4	827	( <sup>2</sup> )	680	534
Maryland .....	11	7	10	7	878	815	1,263	1,100
Massachusetts .....	41	12	21	30	4,617	988	2,318	2,910
Michigan .....	158	14	39	15	23,102	1,544	4,111	1,203
Minnesota .....	62	9	17	50	6,934	1,142	2,000	5,096
Mississippi .....	7	6	5	8	499	782	429	660
Missouri .....	33	15	16	47	3,704	1,886	1,238	9,219
Montana .....	5	-	3	8	562	-	327	1,363
Nebraska .....	10	6	( <sup>2</sup> )	12	1,347	583	( <sup>2</sup> )	1,264
Nevada .....	18	13	11	23	2,730	1,133	1,043	3,099
New Hampshire .....	6	3	5	6	1,277	514	543	531
New Jersey .....	48	29	23	49	5,155	3,424	2,561	6,482
New Mexico .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
New York .....	51	49	41	82	5,384	5,137	5,226	10,518
North Carolina .....	46	11	12	32	4,764	1,208	1,494	3,541
North Dakota .....	8	-	( <sup>2</sup> )	4	809	-	( <sup>2</sup> )	565
Ohio .....	103	34	58	84	10,918	5,468	7,178	7,749
Oklahoma .....	14	( <sup>2</sup> )	5	16	2,648	( <sup>2</sup> )	957	2,419
Oregon .....	54	30	20	53	6,674	3,965	3,123	5,958
Pennsylvania .....	213	59	79	107	22,386	5,501	8,480	10,907
Rhode Island .....	6	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	772	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
South Carolina .....	61	18	19	39	10,651	2,220	4,555	6,384
South Dakota .....	( <sup>2</sup> )	( <sup>2</sup> )	-	-	( <sup>2</sup> )	( <sup>2</sup> )	-	-
Tennessee .....	16	13	5	20	1,700	1,148	457	2,220
Texas .....	108	62	70	121	11,941	8,280	8,470	14,624
Utah .....	20	( <sup>2</sup> )	( <sup>2</sup> )	11	3,184	( <sup>2</sup> )	( <sup>2</sup> )	919
Vermont .....	7	-	( <sup>2</sup> )	3	575	-	( <sup>2</sup> )	957
Virginia .....	35	19	8	32	5,125	3,092	619	5,718
Washington .....	29	21	21	49	2,496	2,889	3,126	5,637
West Virginia .....	3	( <sup>2</sup> )	3	5	229	( <sup>2</sup> )	468	439
Wisconsin .....	183	29	62	120	23,522	3,673	7,167	15,544
Wyoming .....	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	-	( <sup>2</sup> )	( <sup>2</sup> )
Puerto Rico .....	13	9	4	4	1,524	873	402	399

<sup>1</sup> See footnote 1, table 2.

<sup>2</sup> Data do not meet BLS or state agency disclosure standards.

<sup>p</sup> = preliminary.

NOTE: Dash represents zero.